

**IN THE UNITED STATES DISTRICT COURT  
FOR THE DISTRICT OF DELAWARE**

In re

BRAC GROUP, INC., *et al.*,

Debtors.

Case No. 02-12152 (RB)

Bk. Adv. Proc. 03-53271 (RB)

BRAC GROUP, INC., *et al.*,

Plaintiffs-Appellees,

v.

Civil Action No. 05-259-KAJ

IBRAHIEM JAEBAN,

Defendant-Appellant.

**AFFIDAVIT OF GURPAL SINGH JOHAL**

I, Gurpal Singh Johal, of 10 Fleet Place, London EC4M 7RB England, Make Oath and Say as follows:

1. I am a Partner in the Corporate Advisory & Restructuring Group of Kroll, resident in England. My areas of professional expertise include acting as administrator and liquidator of insolvent companies under the statutes applicable to each process in England and Wales.
2. The facts and matters deposed to herein are either within my own knowledge and are true or are derived from the documents, books and records of plaintiff-appellant Budget Rent-A-Car International, Inc. ("BRACII") and the same are true to the best of my knowledge information and belief.
3. BRACII is a Delaware corporation that formerly had its principal place of business in Hemel Hempstead, England. Until the first quarter of 2003, BRACII was responsible

for managing the Budget Rent-A-Car ("Budget") franchise network and other aspects of the Budget business enterprise in Europe (including the United Kingdom), Africa and the Middle East.

4. On 14 January, 2003, Simon Vincent Freakley and I were appointed joint administrators of BRACII by an order of the High Court of Justice.

**The US\$4,500,000 Cure Amount**

5. On 26 February 2003, the United States Bankruptcy Court for the District of Delaware granted BRACII's motion and entered an Order (the "February 2003 Sale Order") to approve *inter alia* the sale of most of BRACII's assets and business as a going concern to Avis Europe plc. and Zodiac Europe Limited, an entity controlled by Avis Europe plc. I refer to these entities collectively as "Avis Europe" below.
6. In accordance with Paragraph 13 and Schedule B of the February 2003 Sale Order, we deposited US\$4,500,000 of the Avis Europe sale proceeds in a restricted "cure" account at Harris Bank in Chicago on March 12, 2003 on account of claims asserted by BRACII's licensee, Jaeban (U.K.) Limited ("Jaeban U.K.").
7. I understand that Jaeban UK filed its \$4,500,000 bankruptcy claim as counterclaims against BRACII in this adversary proceeding.
8. The \$4,500,000 cure amount, plus interest, remains in the Harris Bank account in Chicago.

Status of the Administration of BRACII

9. Apart from minor, essentially ministerial matters, the termination of the administration of BRACII is dependent on the resolution of two pending lawsuits: a trademark case in Germany and the Jaeban UK adversary proceeding.
10. The German lawsuit, *Budget Rent-A-Car International Inc. v. Sixt AG and Sixt GmbH & Co. Autovermietung KG* – Nos. 4HK08409/97 & 6UI893/98, is pending in the Regional Court in Munich. The Court has found that the defendants are liable to BRACII for misuse of the Budget trademark. BRACII's German counsel has informed me that a final decision as to the quantum of damages to be awarded to BRACII may be rendered within the next five months.
11. Once the Sixt AG lawsuit and the Jaeban UK adversary proceeding are resolved, it will be possible for the Administrators to take steps to terminate the administration of BRACII (and its attendant expense).
12. If BRACII is able to withdraw the \$4,500,000 from the Harris Bank account prior to resolution of the *Sixt AG* lawsuit, we intend to make an interim distribution to BRACII's U.S. and overseas creditors from those funds as soon as it is logistically possible to do so.

SWORN at London }  
this 23rd day of MAY, 2005 }  
Before me Zoe Rebecca Thirlwell }  
Solicitor Zoe Thirlwell }




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**CERTIFICATE OF SERVICE**

I hereby certify that on **May 24, 2005**, I electronically filed a true and correct copy of the **Affidavit of Gurpal Singh Johal** with the Clerk of the Court using CM/ECF, which will send notification that such filing is available for viewing and downloading to the following counsel of record:

Brian A. Sullivan, Esq.  
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(Counsel for Jaeban (U.K.) Limited, et al.)

I further certify that on **May 24, 2005**, I caused a copy of **Affidavit of Gurpal Singh Johal** to be served by as indicated, on the counsel on the attached service list.



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